

Cedric Clarke

26th April 2009

Committee Secretary
Senate Standing Committee on Economics
P O Box 6100
Parliament House
Canberra ACT 2600

I am informed that the Senate Standing Committee on Finance is about to consider matters relating to foreign investments made in Australia and I wish to make the submission sent out herein.

My name is Cedric Clarke, I am a 77-year old Australian citizen; until two months ago I was an entirely self-funded retiree but due to the steep decline in market values and interest rates on deposits I currently (and hopefully temporarily) receive a part pension. I am heavily dependent on dividends and my investments, all ASX top company shares, include BHP Billiton, Rio Tinto and Bluescope Steel. I am very concerned about the impact of transactions currently contemplated which could impact directly or indirectly on my income potential. The Rio Tinto /Chinalco deal is a prime example.

I submit that :-

- The Chinalco deal and some others like it are patently foreign state financed and motivated not by normal investment benefits but to procure market advantage for their home industries.
- The foreign government ultimately financing the procurement of assets does not observe free market practice.
- Australian dividends and jobs will be severely prejudiced in time if these deals are approved.
- Present values and particularly resource prices will be shown to be of fire sale proportions in the not too distant future.
- Conditions imposed when approving past transactions have proved ineffective.
- Once forfeited Australia will not be able to regain the status quo ante.

I submit that Australian interests require that the government not approve the Rio Tinto/Chinalco deal in its current form or as modified or indeed any applications of a similar nature made in the future

Yours faithfully

Cedric Clarke.